representations from some quarters, opposing converting TAMP into an appellate authority as well as extending its jurisdiction to non-major ports. Govt. has not taken a final decision so far.

Disinvestment of Shipyards

564. SHRI MOOLCHAND MEENA:
DR. T. SUBBARAMI REDDY:

Will the Minister of SHIPPING be pleased to state:

(a) whether this Ministry is in favour of disinvestment of shipyards to make them more competitive;

(b) if so, whether his Ministry is looking for tie-ups with more experienced yards to achieve goals in ship building;

(c) whether his Ministry has been able to find more experienced shipyards and tied up with them in the areas of technical expertise, planning and manufacturing; and

(d) if so, the steps being taken to implement these decisions?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SU. THIRUNAVUKKARASAR): (a) and (b) Government of India had decided to refer all "non Strategic" public sector undertakings including subsidiaries (excluding IOC, ONGC & GAIL) to the Disinvestment Commission for it to prioritize, examine and make recommendations to the Government. Out of the four public sector shipyards/units under the administrative control of Ministry of Shipping, the Disinvestment Commission has recommended disinvestment of Government equity in Cochin Shipyard Limited (CSL), Hindustan Shipyard Limited (HSL) and Central Inland Water Transport Corporation (CIWTC). The recommendations of Disinvestment Commission are at a very preliminary stage of discussions.

(c) and (d) Does not arise at this stage in view of the above.

Disinvestment of CSL and HSL

565. SHRI N.R. DASARI:
SHRI J. CHITHARANJAN:

Will the Minister of SHIPPING be pleased to state:

(a) whether it is a fact that the Disinvestment Commission has recommended a minimum 51 percent disinvestment of Cochin Shipyard

Ltd. (CSL) and 100 percent privatization of Hindustan Shipyard Ltd. (HSL); and

(b) if so, the details of the recommendation made in this regard and Government's decision thereon?

THE MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI SU. THIRUNAVUKKARASAR): (a) and (b) Yes, Sir. The recommendations made by the Disinvestment Commission are given in the Statement (*see* below). These recommendations are at a preliminary stage of discussions and it is too early for the Government to arrive at a decision.

Statement

Recommendations under by the Disinvestments Commission

(i) Recommendations in respect of Cochin Shipyard Limited (CSL)

1. At least 51% control in CSL should be sold to a strategic partner.
2. The facilities created for Naval purposes can be separated in case it is decided and handed over to Defence authorities before privatization.
3. The surplus land of the Company to be identified and disposed of before disinvestment.
4. The cash reserves may be used for repaying Government of India debt and for redeeming the preference shares.
5. The work preference to CSL being a public Sector Undertaking may continue for two years after privatization.

(ii) Recommendations in respect of Hindustan Shipyard Limited (HSL)

1. To sell 100% shareholding of the Government in Hindustan Shipyard Limited to strategic investor with transfer of management, through the process of competitive bidding.
2. To consider transfer of the facilities required by the Indian Navy, before disinvestment to Ministry of Defence, if necessary.
3. The benefits available to HSL being a PSU may continue for 2 years after privatization.
4. If the attempts to privatize the Company are not successful, the Company may be closed down.